

adopted instead a single discount of 19.8% applicable to all services. Specific prices resulting from this across-the-board 19.8% discount have been incorporated in its Statement of Generally Available Terms and Conditions (STC). In light of the forgoing, it is clear that the wholesale prices set out in SWBT's STC do not exceed -- and the discounts on which they are based are not lower than -- those required by 47 U.S.C. § 252(d)(3) of the Act.

The information contained in this affidavit is true and correct to the best of my knowledge and belief.

Michael Moore

Subscribed and sworn to before me this 8th day of April, 1997.

Kathy B Hummert

KATHY B HUMMERT  
NOTARY PUBLIC STATE OF MISSOURI  
ST. LOUIS COUNTY  
MY COMMISSION EXP. MAY 23, 1997

My commission expires:

May 23, 1997



BEFORE THE  
FEDERAL COMMUNICATIONS COMMISSION  
WASHINGTON, D.C. 20554

In the matter of	)	
	)	
Application of SBC Communications Inc.,	)	
Southwestern Bell Telephone Company,	)	
and Southwestern Bell Communications	)	CC Docket No.
Services, Inc., d/b/a Southwestern Bell Long	)	
Distance, Pursuant to Section 271 of the	)	
Telecommunications Act of 1996 to Provide	)	
In-Region Originating, InterLATA Services	)	
in Oklahoma	)	

**AFFIDAVIT OF JAMES RILEY  
ON BEHALF OF NEVADA BELL**

STATE OF                                 )  
  ) ss.  
COUNTY OF                            )

I, James F. Riley, being first duly sworn upon oath, do hereby depose and state as follows:

**A.     AFFIANT'S BACKGROUND AND DUTIES**

1.     My name is James F. Riley. I am Director - Regulatory Affairs for Nevada Bell ("NB"), a wholly owned subsidiary of Pacific Telesis Group ("PTG"), which is a wholly owned subsidiary of SBC Communications Inc. ("SBC"). NB is a "Bell operating company" ("BOC"), as defined in Section 3(4) of the Communications Act of 1934, as amended by the Telecommunications Act of 1996 ("the 1996 Act").<sup>1</sup> NB is an incumbent local exchange carrier within its operating area in Nevada. Southwestern Bell Communications Services, Inc. d/b/a Southwestern Bell Long Distance ("SBLD") is an affiliate of NB through which SBC will provide in-region interLATA services in Oklahoma under the 1996 Act.
2.     As Director -Regulatory Affairs, I am responsible for both state and federal regulatory relations on behalf of NB. I oversee regulatory policy and strategy, state and federal

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<sup>1</sup> All References to the Communications Act of 1934, as amended by the Telecommunications Act of 1996, shall be made as "Section \_\_\_\_."

filings, tariffs, monitoring and compliance, regulatory audits, complaint administration and resolution, and affiliated interest matters.

3. Educational Background

In 1969, I received a Bachelor of Arts degree from the University of Nevada Reno. Through continuing education and training, I have received instruction in many business related subjects, among them economic principles of cost analysis, market analysis, consumer market segmentation, marketing strategy, pricing and product life cycles

4. Work Experience

I joined Nevada Bell in 1973 as a member of the External Affairs staff. I transferred to Marketing Sales in 1978 and became a product manager in 1983. I was appointed manager for state regulatory affairs in 1990 and manager for state and federal regulatory affairs in 1994.

My work assignments have included employee information, media contact work, PBX and terminal sales, customer service product management for a number of products, including long distance services, rates and tariffs work with the Public Service Commission of Nevada and the Federal Communications Commission, and independent company relations and settlements.

I am currently responsible for regulatory affairs in both the state and federal jurisdictions.

I am a member of the Nevada Telephone Association (NTA) Board of Directors.

B. PURPOSE OF AFFIDAVIT

This affidavit demonstrates that NB will comply with the separate affiliate rules of Section 272 of the 1996 Act and with the FCC accounting safeguards as promulgated in the Accounting Safeguards Report and Order, Appendix B, Final Rules, Part 32, Section 32.27, as required by Section 272 of the 1996 Act, and the FCC's transactional rules in

its relationship with SBLD or any other SBC Section 272 affiliate that carries out the authorization requested in this Application.<sup>2</sup>

C. NB IS A "SEPARATE AFFILIATE" AND WILL "OPERATE INDEPENDENTLY" FROM SBLD

1. NB is a Separate Affiliate from SBLD

- a. NB is a completely "separate affiliate" from SBLD. NB is a corporation organized under the laws of the State of Nevada and is a wholly-owned subsidiary of PTG, which is a wholly-owned subsidiary of SBC. NB owns no stock of SBLD; correspondingly, SBLD owns no stock of NB.
- b. NB provides the following telecommunications services in the State of Nevada:
  - i. telephone exchange service;
  - ii. intraLATA telephone toll service;
  - iii. exchange access service;
  - iv. resold local exchange services and unbundled network elements;
  - v. operator services;
  - vi. certain other regulated and non-regulated services related to the provision of telecommunications.

2. NB is Separate Affiliate from PBCOM

- a. NB is a completely "separate affiliate" from PBCOM. PBCOM is a corporation organized under the laws of the State of California and is a wholly-owned subsidiary of PTG, which is a wholly-owned subsidiary of SBC. NB owns no stock of PBCOM; correspondingly, PBCOM owns no stock of NB.
- b. PBCOM does not provide any telecommunications services in the State of Nevada at this time.

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<sup>2</sup> See In the Matter of Implementation of the Non-Accounting Safeguards of Sections 271 and 272 of the Communications Act of 1934, as amended, Report and Order, CC docket No. 96-149, FCC 96-489 (rel. Dec. 24, 1996) ("Non-Accounting Safeguards First Report and Order"); In the Matter of Implementation of the Telecommunications Act of 1996; Accounting Safeguards Under the Telecommunications Act of 1996, Report and Order (re. Dec. 24, 1996) ("Accounting Safeguards Report and Order"). Applicants reserve their rights with regard to the filing of a petition for review with a court of competent jurisdiction.

3. NB will "Operate Independently" from SBLD

- a. NB and SBLD do not and, as long as the requirements of Section 272 and the applicable regulations remain in effect, will not jointly own telecommunications transmission and switching facilities or the land and buildings on which such facilities are located.
- b. SBLD is not currently providing to NB, and as long as the requirements of Section 272 or any lawful regulations remain applicable, NB will not accept from SBLD, operating, installation, or maintenance services in connection with NB's switching and transmission facilities, although NB may obtain such services from SBLD in the event NB purchases sophisticated equipment from SBLD within the meaning of paragraph 164 of the Non-Accounting Safeguards First Report and Order. NB has no existing plan to purchase such equipment from SBLD or to have SBLD install or maintain such equipment for NB.
- c. As long as the requirements of Section 272 or any lawful regulations remain applicable, neither NB nor any NB affiliate, other than a Section 272 affiliate, will perform operating, installation, or maintenance functions associated with the switching or transmission facilities that SBLD owns or leases from a provider other than NB.
- d. NB will not provide any services that constitute "operations, installation, or maintenance" functions in connection with the switching or transmission facilities of SBLD.

4. NB Will "Operate Independently" from PBCOM

- a. NB and PBCOM do not and, as long as the requirements of Section 272 and the applicable regulations remain in effect, will not jointly own telecommunications transmission and switching facilities or the land and buildings on which such facilities are located.
- b. PBCOM is not currently providing to NB, and as long as the requirements of Section 272 or any lawful regulations remain applicable, NB will not accept from

PBCOM, operating, installation, or maintenance services in connection with NB's switching and transmission facilities, although NB may obtain such services from PBCOM in the event NB purchases sophisticated equipment from PBCOM within the meaning of paragraph 164 of the Non-Accounting Safeguards First Report and Order. NB has no existing plan to purchase such equipment from PBCOM or to have PBCOM install or maintain such equipment for NB.

- c. As long as the requirements of Section 272 or any lawful regulations remain applicable, neither NB nor any NB affiliate, other than a Section 272 affiliate, will perform operating, installation, or maintenance functions associated with the switching or transmission facilities that PBCOM owns or leases from a provider other than NB.

5. Services Currently Provided to SBLD

- a. To date, NB has not provided any services to SBLD. If SBLD obtains services from NB, such transactions will be recorded on a basis consistent with Parts 32 and 64 in accordance with the Accounting Safeguards Report and Order.
- b. To the extent joint marketing or administrative services are purchased from NB, it will be on terms and conditions consistent with Section 272 and any applicable FCC regulations as adopted in the Accounting Safeguards Report and Order.
- c. SBLD may negotiate with NB on an arms-length basis to obtain transmission and switching facilities from NB, to arrange for collocation of facilities, or to provide or to obtain services other than those described above or expressly prohibited in the Non-Accounting Safeguards First Report and Order. SBLD and NB will account for any affiliate transaction between SBLD and NB in accordance with the rules adopted by the FCC in the Accounting Safeguards Report and Order.

6. Services Currently Provided to PBCOM

- a. Prior to the issuance of the Non-Accounting Safeguards First Report and Order, PBCOM had expressed its intention to purchase services from NB in conformity



with the express applicable structural, transactional, and non-discriminatory treatment requirements of Section 272(b)(1), (2), and (5), (c), (e), and (g).

- b. In reliance upon the express terms of Section 272, PBCOM contracted with NB to receive, and has received on an as-needed basis, certain services related to the review of PBCOM's joint marketing specifications and minor Nevada regulatory support.

**D. NB and PBCOM COMPLY WITH THE SEPARATE OFFICERS, DIRECTORS, AND EMPLOYEES REQUIREMENTS OF THE ACT**

- 1. NB and SBLD have separate officers, directors and employees.
  - a. No officer of NB will be an officer of SBLD, and as long as the applicable requirements of Section 272 remain, no officer of NB will simultaneously serve as an officer of SBLD.
  - b. No director of NB will be a director of SBC, and as long as the applicable requirements of Section 272 remain, no director of NB will also simultaneously serve as a director of SBLD.
  - c. No NB employee will be an employee of SBLD, and as long as the applicable requirements of Section 272 remain, no employee of SBC will simultaneously be employed by SBLD.
- 2. NB and PBCOM have separate officers, directors and employees.
  - a. No officer of NB will be an officer of PBCOM, and as long as the applicable requirements of Section 272 remain, no officer of NB will simultaneously serve as an officer of PBCOM.
  - b. No director NB will be a director of PBCOM, and as long as the applicable requirements of Section 272 remain, no director of NB will also simultaneously serve as a director of PBCOM.
  - c. No NB employee will be an employee of PBCOM, and as long as the applicable requirements of Section 272 remain, no employee of NB will simultaneously be employed by PBCOM.

**E. NB COMPLIES WITH THE ACCOUNTING REQUIREMENTS AND WILL ACCOUNT FOR AFFILIATE TRANSACTIONS AS REQUIRED**

1. NB currently maintains books, records, and accounts that are separate from the books, records, and accounts of SBLD. NB has and will continue to account for all transactions between SBLD and NB in accordance with all applicable requirements of Parts 32 and 64 of the FCC's accounting rules, as modified by the rules adopted by the FCC in the Accounting Safeguards Report and Order, Appendix B. To date, NB has not provided SBLD any services. If SBLD obtains services from NB, such transactions will be reduced to writing and NB and SBLD will account for any affiliate transaction between SBLD and NB in accordance with the rules adopted by the FCC in the Accounting Safeguards Report and Order, Appendix B. SBLD's capital and expense accounts are separate from those of NB.

2. NB currently maintains books, records, and accounts that are separate from the books, records, and accounts of PBCOM. NB has and will continue to account for all transactions between PBCOM and NB in accordance with all applicable requirements of Parts 32 and 64 of the FCC's accounting rules, as modified by the rules adopted by the FCC in the Accounting Safeguards Report and Order, Appendix B. When PBCOM obtains services from NB, such transactions are and will be reduced to writing and NB and PBCOM will account for any affiliate transaction between PBCOM and NB in accordance with the rules adopted by the FCC in the Accounting Safeguards Report and Order, Appendix B. PBCOM's capital and expense accounts are separate from those of NB.

**F. NB WILL PARTICIPATE IN THE BIENNIAL AUDIT**


1. NB will coordinate, obtain, and pay for a joint federal/State audit, together with SBLD and any other affiliated, Section 272 company, every two years. The audit will be conducted by an independent auditor to verify compliance with the requirements of Section 272 and the FCC's regulations promulgated thereunder, including the separate accounting requirements under Section 272(b). The first such audit will begin at the

close of the first full year of operations. The independent auditor will be selected in accordance with the FCC's requirements specified in the Accounting Safeguards Report and Order and Sections 53.209 and 53.211 of the Commission's rules. NB will coordinate with the federal/State joint audit team, as described in Section 53.209(d) of the Commission's rules. NB's letter of engagement with the independent auditor will require that the audit be performed consistent with all applicable regulatory requirements, including the specific requirements described in Section 53.209(b) of the Commission's rules. NB will comply with the procedures described in Sections 53.211 and 53.213 of the Commission's rules.

2. NB will require the independent auditor to submit the results of the audit in accordance with the requirements of Section 53.213 of the Commission's rules.
3. NB, together with its affiliates, including SBLD, PBCOM and SBC, will provide the independent auditor, the FCC, and the Oklahoma Corporation Commission with access to financial records and accounts necessary to verify compliance with Section 272 and the regulations promulgated thereunder.
4. NB will require the independent auditor to provide the FCC and Oklahoma Corporation Commission with access to working papers and supporting materials relating to this audit consistent with Section 53.213(a)(1) of the FCC's rules and consistent with the proprietary information concerns set forth in the Accounting Safeguards Report and Order.

**H. CONCLUSION OF TESTIMONY**

The foregoing Affidavit is true and correct to the best of my knowledge, information, and belief. This concludes my Affidavit.

  
JAMES F. RILEY  
DIRECTOR-REGULATORY AFFAIRS  
NEVADA BELL

STATE OF NEVADA )  
 ) ss.  
COUNTY OF WASHOE )

Subscribed and sworn before me, the undersigned authority, on this 9<sup>th</sup> day of April 1997.

Beck Freeman  
NOTARY PUBLIC





**Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554**

\_\_\_\_\_  
In The Matter of )  
)  
)

Application of SBC Communications, Inc., )  
Southwestern Bell Telephone Company, and )  
Southwestern Bell Communications Services, )  
Inc., d/b/a Southwestern Bell Long Distance, )  
for Provision of In-Region, InterLATA )  
Services in Oklahoma )  
\_\_\_\_\_ )

**AFFIDAVIT OF ROBERT E. STAFFORD**

STATE OF OKLAHOMA )  
) ss.  
COUNTY OF OKLAHOMA )

I, ROBERT E. STAFFORD, being of lawful age and duly sworn upon my oath, depose and state:

1. My name is Robert E. Stafford. My business address is 800. N. Harvey, Room 320, Oklahoma City, Oklahoma 73102. I am Division Manager-Regulatory and Industry Relations for Southwestern Bell Telephone Company ("SWBT"). In this position I am responsible for the overall regulatory operations for SWBT in Oklahoma including the rate and tariff administration and the interface with the Oklahoma Corporation Commissioners and the Commission staff on numerous topics that affect the telecommunications industry in Oklahoma. I am also responsible for the coordination and interface with all of the incumbent local exchange telephone companies which operate in Oklahoma. In addition to these responsibilities, I am responsible for certain general staff

assignments for SWBT's External Affairs Department in Oklahoma which include the contact responsibilities for customer appeals to the Oklahoma Corporation Commission ("OCC"), the Federal Communication Commission ("FCC") and the executive levels of SWBT.

2. I have a Bachelor of Science degree from Oklahoma State University in Agricultural Economics with a business option. I have completed the Advanced Management Program at the Fuqua School of Business at Duke University. I have also attended numerous industry programs sponsored by the National Association of Regulatory Utility Commissioners.

3. I have been involved in all facets of the regulatory operations in Oklahoma during the past fifteen years. I have appeared as an expert witness before the OCC on several occasions.

4. The purpose of my affidavit is to support the application of SBC Communications, Inc., Southwestern Bell Telephone Company, and Southwestern Bell Communications Services, Inc., d/b/a Southwestern Bell Long Distance, for provision of in-region, interLATA services in Oklahoma. I will also discuss the actions the OCC has taken in relation to the introduction of competition in Oklahoma.

5. Oklahoma has been in the forefront among the States encouraging telecommunications competition. Oklahoma was the first State to adopt rules pertaining to local phone service competition after the passage of the Telecommunications Act of 1996 ("the Act"). The OCC adopted local phone service competition rules in Cause No. RM 950000019 on March 7, 1996. They went into effect July 1, 1996. Since the Act passed, twenty-three companies have filed applications for certificates of convenience and necessity ("CCN") to provide local exchange service in Oklahoma. To date, the OCC has granted eleven of those applications.

6. The OCC has taken a very aggressive approach to encourage competition in Oklahoma in every telecommunications market. The OCC efforts began with the issuance of its Order in Cause

No. PUD 910001159, a case concerning the provision and regulation of competitive intraLATA telecommunication services in Oklahoma. The OCC issued Order No. 382799 dated April 22, 1994. The effects of this decision was to open the intraLATA market to long distance competition. Basically, all intraLATA long distance services were opened to competition with the exception of 1+/0+ calling. The Alternative Operator Services (AOS) market was also opened by the OCC to competition in Cause No. RM 940000008. These rules established the requirements for the AOS market. The OCC opened the payphone market to competition in Cause No. RM 960000013. Competitive Access Providers ("CAPs") are also authorized to operate in Oklahoma. The OCC issued Order No. 394765 in Cause No. PUD 940000486, which certificated Metropolitan Fiber Systems ("MFS") to operate as a CAP in Oklahoma. Brooks Fiber Communications of Oklahoma and Brooks Fiber Communications of Tulsa were also certificated to operate in Oklahoma as CAPs in Cause Nos. PUD 950000139 and 950000140. SWBT was granted a certificate to operate as a CAP in exchanges served by GTE in Oklahoma in Order No. 406118 issued in Cause No. PUD 960000249. As discussed earlier, the OCC made Oklahoma the first state after the Act became law to issue rules which established the requirements and procedures for companies who want to enter the local telecommunications market.

7. In summary, the evidence of the effectiveness of the OCC's efforts to open telecommunications markets to competition can be seen by the following summary of the number of companies currently operating in Oklahoma, are in the process of becoming certified to operate, or are negotiating interconnection agreements in Oklahoma:

Alternative Operator Services Providers	72
Payphone Providers	33



Competitive Access Providers	9
New Local Service Providers	50

8. SWBT has taken an active role in several of the above named proceedings and has supported the OCC's efforts to open these markets to competition. In Oklahoma, every telecommunications market in which SWBT operates is now open to competition. As can be seen by the above number of competitive entrants, the OCC has done a very effective job of setting appropriate rules in place to promote competition in Oklahoma.

9. The OCC has publicly stated on numerous occasions in recent years its policy to open the Oklahoma markets to competition:

A. OCC's amended Notice of Proposed Rulemaking, Cause No.

RM 950000019 dated December 27, 1995:

"It is our intention to adopt rules which will signal the nation of Oklahoma's intention to foster and aggressively promote a highly competitive market for local telecommunication services."

B. OCC's amended Rule Impact Statement in Cause No. RM 950000019 filed

January 11, 1996:

"The amended proposed rules will benefit both residential and business customers by allowing the customers to select the telecommunication service provider that offers the service most desired by each individual customer and communities will benefit by a quicker deployment of new technology as it becomes available and thus increase the opportunity for economic development."

C. Cause No. PUD 910001159, Order 382799:

"Removal of those prohibitions by authorized intraLATA toll competition will bring additional benefits to Oklahoma customers in the form of greater customer choice of carriers, lower prices, and greater incentives for all carriers to deploy advanced technology and operate efficiently."

10. Approval of the 271 Application will benefit Oklahoma consumers by not only allowing

SBC Communications, Inc., to compete in the interLATA long distance market, but also by allowing the interexchange carriers to compete on a dialing parity basis within the intraLATA long distance market. Pursuant to Section 271(e)(2)(A) of the Act, intraLATA toll dialing parity must be provided by a Bell operating company when it exercises its authority to provide interLATA services originating in the State. As indicated earlier, the OCC believes that Oklahoma consumers benefit by the implementation of more competition within any telecommunications market within the State. Opening both the intraLATA and interLATA long distance markets to full competition would certainly benefit consumers in Oklahoma. Customers would benefit from more choices of new services, more choices of providers, anticipation of lower prices and more investment in the State. Even the interexchange companies have promoted more competition in the State as indicated by the following quotes from various Oklahoma proceedings:

A. In Cause No. PUD 94000486, AT&T witness, Robert P. Flappan, testified:

"The public benefits to be derived from effective competition are expanded commerce, improved competitiveness, enhanced social welfare and enhanced social interaction. Competition will promote commerce through greater productivity and job creation. Firms competing to offer a variety of services will upgrade the state's telecommunications infrastructure, providing greater productivity and competitiveness for Oklahoma firms. Competition will facilitate more rapid deployment of new and innovative capabilities (e.g., distance learning, telemedicine) that will lead to a better informed society, with greater opportunities for participation by all citizens of Oklahoma. In addition, an upgraded infrastructure, along with innovative offerings, will encourage and facilitate communications, resulting in a more connected society."

B. Brief of MCI Telecommunications Corporation in consolidated dockets in

Cause No. PUD 001159:

"As a general matter, competitive markets are simply more efficient in meeting customer demands than monopoly markets."

"Customer choice is the hallmark of a competitive market."

"Competition has fostered an explosion of advanced technology in telecommunications"

"All of these actions will promote economic development in Oklahoma by sending a clear message to businesses that telecommunications will be provided in an environment which is customer-driven."

C. Trial Brief of Sprint Communications Company, L.P. in consolidated dockets,

Cause No. PUD 001159:

"Consumers in Oklahoma would benefit from intraLATA competition through increased customer choice, higher quality of service and a more rapid deployment of innovative technologies brought about by competitive market forces."

D. In Cause No. PUD 960000103, Brooks Fiber Communications of Oklahoma,

Inc., witness Ed Cadieux testified:

"As evidenced by the state-of-the-art facilities that the BFC companies are deploying, it is my opinion that competition in the local exchange market will substantially increase the pressure on all market participants to deploy advanced telecommunications networks and increase responsiveness to customer demands for advanced telecommunications services and competitive pricing."

11. As of the date of this affidavit, the following eleven applications by competitive local service providers ("LSPs") for CCNs to provide local exchange service have been approved in Oklahoma:

Applications approved to date:

American Communication Services of Tulsa ("ACSI")	<i>approved 3/25/97</i>
AT&T Communications of the Southwest ("AT&T")	<i>approved 5/7/96</i>
Brooks Fiber Communications of Oklahoma ("BFC-OK")	<i>approved 8/30/96</i>
Brooks Fiber Communications of Tulsa ("BFC-T")	<i>approved 8/30/96</i>
Chickasaw Telecommunications Services	<i>approved 10/16/96</i>
Cox Oklahoma Telecom ("Cox")	<i>approved 2/28/97</i>
Dobson Wireless, Inc. ("Dobson")	<i>approved 9/27/96</i>
Sprint Communications Company, L.P. ("Sprint")	<i>approved 8/30/96</i>
Terral Telephone Company	<i>approved 12/12/96</i>

U. S. Long Distance ("USLD")  
 Western Oklahoma Long Distance ("WOLD")

*approved 11/6/96*  
*approved 11/6/96*

12. The following twelve applications for CCNs are pending approval by the Oklahoma Corporation Commission:

Applications pending to date:

Dial & Save  
 CSW/ICG Choicecom  
 Excel Telecommunications  
 Fast Connections ("Fast")  
 Feist Long Distance Service  
 Intermedia Communications  
 Total Telecommunications Services, Inc.  
 U. S. Telco  
 Winstar Wireless of Oklahoma  
 Sterling International Funding d/b/a/ Reconex  
 ICG Telecom Group  
 Pioneer Long Distance, Inc.

13. SWBT has received forty-five (as of 4/4/97) requests for local interconnection and/or resale in Oklahoma. It has reached agreement with sixteen of the requesting companies and has submitted fourteen of those agreements to the OCC for approval.<sup>1</sup>

Brooks Fiber Communications (filed 8/30/96)  
 Dobson Wireless (filed 10/16/96)  
 Fast Connections (filed 10/10/96)  
 ICG Telecom Group (filed 12/5/96)  
 Reconex (filed 12/20/96)  
 USLD (filed 9/9/96)  
 WOLD (filed 1/3/97)  
 Intermedia Communications (filed 1/23/97)  
 Preferred Carrier Services (filed 1/23/97)  
 U. S. Telco (filed 2/4/97)  
 Caprock Communications (filed 3/20/97)

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<sup>1</sup>One LSP TIE Communications, has requested their agreement not be filed until their plans to enter the Oklahoma market are more finalized. Another LSP, Capitol Telecommunications, jointly filed a resale agreement with the OCC on January 23, 1997, but an order was issued April 3, 1997 granting Capitol Telecommunications request to withdraw the application.

Comm South Company (filed 2/6/97)  
Sprint (filed 2/12/97)  
Chickasaw (filed 4/4/97)

14. To date, the OCC has approved six of the fifteen filed agreements - namely, SWBT's agreements with:

Brooks Fiber Communications (*ordered 10/22/96*)  
Dobson/resale (*ordered 12/23/96*)  
ICG telecom Group (*ordered 4/3/97*)  
Sprint (*ordered 4/3/97*)  
USLD (*ordered 12/23/96*)  
WOLD/resale (*ordered 2/6/97*)

The OCC also received requests for arbitration under the Act from AT&T, Sprint, Cox and WOLD, and has issued a decision dated 12/12/96 in the AT&T arbitration case. Sprint and WOLD withdrew their requests for arbitration and binding, negotiated interconnection agreements have since been reached with both WOLD and Sprint. The WOLD and Sprint agreements have been approved by the OCC. Cox filed their request for arbitration on 4/1/97. As of the date of this affidavit, the procedural schedule has not been established.

15. As previously indicated, in the interexchange market, facilities-based competition in Oklahoma has existed for years. Seven telecommunications carriers, AT&T, MCI, Sprint, LDDS, ALLnet, LDS, and Metromedia, have been certified to provide either intrastate interLATA and/or intraLATA toll services in Oklahoma prior to the passage of the Act. Five out of the sixteen agreements SWBT has reached in Oklahoma are with facilities-based LSPs:

Brooks Fiber Communications  
ICG Telecom  
Intermedia  
USLD  
Sprint

Four of the six approved Oklahoma interconnection/resale agreements with SWBT are also with facilities-based local exchange service competitors (Brooks Fiber Communications, ICG Telecom Group, Sprint and USLD).

16. SWBT's Statement of Generally Available Terms and Conditions ("STC") presents a "minimum" set of interconnection provisions, prices and standard terms and conditions that SWBT will make available to any requesting competitive telecommunications LSP. The STC fully reflects SWBT's willingness to comply with the provision of all interconnection elements, products and services required by the Act, the OCC and currently applicable FCC Rules and Orders.<sup>2</sup> Such terms and conditions do not, however, preclude the normal process of negotiation with SWBT, if desired by a competitor.

17. Oklahoma customers are denied the opportunity of additional choices in telecommunications services which will become available once SBC Communications, Inc., is granted freedom to compete in the interLATA market. Competitive LSPs can enter the Oklahoma markets at their own speed and in accordance with their respective business plans. Thus, the only remaining market in Oklahoma in which all potential competitors are not allowed to compete is the interLATA long distance market.

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<sup>2</sup>With respect to interconnection pricing provisions of unbundled network elements, SWBT believes that some of the FCC's requirements exceed the scope of the Act and has challenged those provisions before the Eighth Circuit Court of Appeals. If the Court holds that the challenged provisions exceed the scope of the Act, SWBT's contracts and STC will be modified accordingly.

18. The information contained in this affidavit is true and correct to the best of my knowledge and belief.

Robert E. Stafford  
ROBERT E. STAFFORD

Subscribed and sworn to before me this 8<sup>th</sup> day of April, 1997.

Dan Hackett  
NOTARY PUBLIC

My Commission expires:

August 5, 1997





**BEFORE THE  
FEDERAL COMMUNICATIONS COMMISSION  
WASHINGTON, D.C. 20554**

<p>In the matter of</p> <p>Application of SBC Communications Inc., Southwestern Bell Telephone Company, and Southwestern Bell Communications Services, Inc., d/b/a Southwestern Bell Long Distance, Pursuant to Section 271 of the Telecommunications Act of 1996 to Provide In-Region Originating, InterLATA Services in Oklahoma</p>	<p>CC Docket No. _____</p>
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**AFFIDAVIT OF KAROL SWEITZER  
ON BEHALF OF SOUTHWESTERN BELL LONG DISTANCE**

STATE OF TEXAS        )  
                                  ) ss.  
COUNTY OF DALLAS    )

I, Karol Sweitzer, being first duly sworn upon oath, do hereby depose and state as follows:

**A.     AFFIANT'S BACKGROUND AND DUTIES**

1.     My name is Karol Sweitzer. I am Vice President-Business Planning and Chief Financial Officer for Southwestern Bell Communications Services, Inc. ("SBLD"), a wholly owned subsidiary of SBC Communications Inc. ("SBC"). SBLD is the affiliate through which SBC will provide in-region interLATA services within Oklahoma under the Telecommunications Act of 1996 (the "1996 Act").<sup>1</sup>

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<sup>1</sup>All References to the Communications Act of 1934, as amended by the Telecommunications Act of 1996, shall be made as "Section \_\_\_\_."